

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF
GRAND RESOURCES INC. FOR STATUTORY
UNITIZATION, SAN JUAN COUNTY,
NEW MEXICO.

CASE NO. 9836

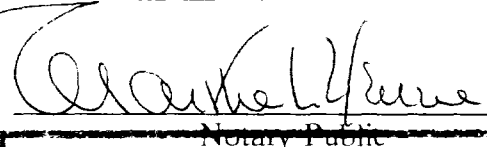
AFFIDAVIT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

WILLIAM F. CARR, attorney in fact and authorized representative of Grand Resources Inc., the Applicant herein, being first duly sworn, upon oath, states that the notice provisions of Rule 1207 of the New Mexico Oil Conservation Division have been complied with, that Applicant has caused to be conducted a good faith diligent effort to find the correct addresses of all interested persons entitled to receive notice as shown by Exhibit "A" attached hereto, and that pursuant to Rule 1207, notice has been given at the correct addresses provided by such rule.


WILLIAM F. CARR

SUBSCRIBED AND SWORN to before me this 28th day of November, 1989.


Notary Public

My Commission Expires:

August 19, 1991

BEFORE EXAMINER STOGNER	
OIL CONSERVATION DIVISION	
GRAND RESOURCES EXHIBIT NO.	<u>4</u>
CASE NO.	<u>9836</u>

EXHIBIT A

Air Mex Corporation
First Western National Bank Building
Post Office Box 249
Moab, Utah 84532
Attn: Skip Nightengale

Bureau of Land Management
435 Montano Rd., NE
Albuquerque, New Mexico 87107

CAMPBELL & BLACK, P.A.
LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
D. SCOTT HALL
JOHN H. BEMIS
WILLIAM R. SLATTERY
PATRICIA A. MATTHEWS

JEFFERSON PLACE
SUITE 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

November 7, 1989

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Air-Mex Corporation
First Western National Bank Building
Post Office Box 249
Moab, Utah 84532

Attn: Skip Nightengale

Re: Application of Grand Resources Inc. for Statutory
Unitization, San Juan County, New Mexico

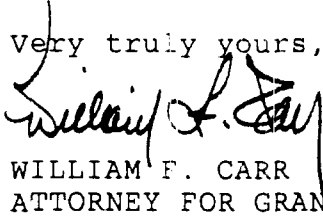
Gentlemen:

This letter is to advise you that Grand Resources Inc. has filed an application with the New Mexico Oil Conservation Division seeking an order statutorily unitizing for the purpose of establishing a secondary recovery project, all mineral interests in the designated and undesignated Mesa-Gallup Pool underlying 2120 acres, more or less, of Federal Indian lands in Sections 10, 13, 14, 15, 23, 24 and 25, Township 32 North, Range 18 West. Said unit is to be designated the Mesa-Gallup Unit Area. Among the matters to be considered at the hearing will be the necessity of unit operations; the designation of a unit operator; the determination of the horizontal and vertical limits of the unit area; the determination of the fair, reasonable, and equitable allocation of production and costs of production, including capital investment, to each of the various tracts in the unit area; the determination of credits and charges to be made among the various owners in the unit area for their investment in wells and equipment; and such other matters as may be necessary and appropriate for carrying on efficient unit operations; including but not limited to, unit voting procedures, selection, removal or substitution of unit operator, and time of commencement and termination of unit operations. Applicant also requests that any such order issued in this case include a provision for carrying any nonconsenting working interest owner maintain the unit area upon such terms and conditions to be determined by the Division as just and reasonable.

Air-Mex Corporation
November 7, 1989
Page Two

This application has been set for hearing before an Examiner of the Oil Conservation Division on November 29, 1989. You do not need to be present at the hearing, but failure to appear at the hearing or otherwise become a party of record in this case will preclude you from challenging this matter at a later date.

Very truly yours,

A handwritten signature in dark ink, appearing to read "William F. Carr", is written over the typed name and title.

WILLIAM F. CARR
ATTORNEY FOR GRAND RESOURCES, INC.
WFC:mlh
cc: Marvin Robinowitz

<p>● SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.</p> <p>Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.</p> <p>1. <input checked="" type="checkbox"/> Show to whom delivered, date, and addressee's address. 2. <input type="checkbox"/> Restricted Delivery (Extra charge)</p>	
<p>3. Article Addressed to:</p> <p>Air-Mex Corporation First Western National Bank P. O. Box 249 Moab, Utah 84532</p>	<p>4. Article Number</p> <p>P 106 676 797</p>
<p>5. Signature — Address</p> <p>X</p>	<p>Type of Service:</p> <p><input type="checkbox"/> Registered <input type="checkbox"/> Insured</p> <p><input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD</p> <p><input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise</p> <p>Always obtain signature of addressee or agent and DATE DELIVERED.</p>
<p>6. Signature — Agent</p> <p>X</p>	<p>8. Addressee's Address (ONLY if requested and fee paid)</p>
<p>7. Date of Delivery</p> <p>11-13-85</p>	

PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-665 DOMESTIC RETURN RECEIPT

P-106 676 797

Air-Mex Corporation
P. O. Box 249
Moab, Utah 84532

2.00

Robinson 7, 1789

CAMPBELL & BLACK, P.A.
LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL E. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
J. SCOTT HALL
JOHN R. BEMIS
WILLIAM R. SLATTERY
PATRICIA A. MATTHEWS

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE (505) 988-4421
TELECOPIER (505) 983-6043

November 7, 1989

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Bureau of Land Management
435 Montano Rd., NE
Albuquerque, New Mexico 87107

Re: Application of Grand Resources Inc. for Statutory
Unitization, San Juan County, New Mexico

Gentlemen:

This letter is to advise you that Grand Resources Inc. has filed an application with the New Mexico Oil Conservation Division seeking an order statutorily unitizing for the purpose of establishing a secondary recovery project, all mineral interests in the designated and undesignated Mesa-Gallup Pool underlying 2120 acres, more or less, of Federal Indian lands in Sections 10, 13, 14, 15, 23, 24 and 25, Township 32 North, Range 18 West. Said unit is to be designated the Mesa-Gallup Unit Area. Among the matters to be considered at the hearing will be the necessity of unit operations; the designation of a unit operator; the determination of the horizontal and vertical limits of the unit area; the determination of the fair, reasonable, and equitable allocation of production and costs of production, including capital investment, to each of the various tracts in the unit area; the determination of credits and charges to be made among the various owners in the unit area for their investment in wells and equipment; and such other matters as may be necessary and appropriate for carrying on efficient unit operations; including but not limited to, unit voting procedures, selection, removal or substitution of unit operator, and time of commencement and termination of unit operations. Applicant also requests that any such order issued in this case include a provision for carrying any nonconsenting working interest owner maintain the unit area upon such terms and conditions to be determined by the Division as just and reasonable.

Bureau of Land Management
November 7, 1989
Page Two

This application has been set for hearing before an Examiner of the Oil Conservation Division on November 29, 1989. You do not need to be present at the hearing, but failure to appear at the hearing or otherwise become a party of record in this case will preclude you from challenging this matter at a later date.

Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr". The signature is fluid and cursive, with a large initial "W" and a stylized "C".

WILLIAM F. CARR
ATTORNEY FOR GRAND RESOURCES, INC.
WFC:mlh
cc: Marvin Robinowitz

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
 Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for rates and check boxes for additional services requested.
 1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:		4. Article Number	
Bureau of Land Management 435 Montano Rd., NE Albuquerque, NM 87107		P 106 676 796	
5. Signature - Address		Type of Service:	
<input checked="" type="checkbox"/> <i>C. Maddox</i>		<input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise	
6. Signature - Agent		Always obtain signature of addressee or agent and DATE DELIVERED.	
<input checked="" type="checkbox"/>		8. Addressee's Address (ONLY if requested and fee paid)	
7. Date of Delivery			
<i>11-8-89</i>			

PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

P-106 676 796

Bureau of Land Management
 435 Montano Rd., NE
 Alb., NM 87107

200
Received 7.1989